

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 243

PRINTER NO. 688

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

February 22, 2021

PRIME SPONSOR

Senator Pittman

DESCRIPTION

Senate Bill 243 amends the act of December 19, 1988 (P.L.1262, No.156), known as the Local Option Small Games of Chance Act (act), by adding a new section relating to games of chance operations during a disaster emergency.

Senate Bill 243 adds a new section 309 (relating to games of chance operations during disaster emergency) with regard to operating games of chance. The legislation provides that during the COVID-19 disaster emergency or until May 1, 2022, whichever is later, a licensed eligible organization may conduct and reveal the winner of raffles and drawings via an internet-based conferencing software application in a manner otherwise in accordance with chapter 3 of the act (e.g., prize limits, licensing, etc.).

The legislation in new section 309(b) stipulates that the following conditions shall apply to a raffle or drawing authorized under new section 309(a):

1. A licensed eligible organization may accept payment via a mobile payment service for the conduct or operation of the raffle or drawing in accordance with new section 309(c). An eligible organization may not accept credit cards for the conduct or operation of the raffle or drawing.
2. An eligible organization may only use an internet-based conferencing software application in the conduct of the raffle or drawing limited to the reveal of the winner of the raffle or drawing.
3. The reveal of the winner of the raffle or drawing may not use or display animation in identifying the winner.
4. The reveal of the winner of the raffle or drawing may not use or display moving or still images in identifying the winner.
5. The reveal of the winner of the raffle or drawing may not use, make or display a graphic presentation in identifying the winner.
6. The reveal of the winner of the raffle or drawing may not use or be completed with the aid of a slot machine, hybrid slot machine or skill slot machine as defined in section 1103 of the Pennsylvania Race Horse Development and Gaming Act.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

7. The reveal of the winner of the raffle or drawing may not use or be completed with the aid of a video gaming terminal as defined in section 3102 of the Pennsylvania Race Horse Development and Gaming Act.
8. The reveal of the winner of the raffle or drawing may not use or be completed with the aid of an electronic video monitor or simulated gambling program as defined in 18 Pa.C.S. § 5513(f) (relating to gambling devices, gambling, etc.).

Senate Bill 243 includes verification requirements in new section 309(c) with regard to the use of a mobile payment service such that a licensed eligible organization shall take the following actions:

1. Employ a mechanism to detect the physical location of a participant who buys a ticket for the raffle or drawing and block an individual located outside of this Commonwealth from participating in a raffle or drawing. The eligible organization may not accept payment from an individual located outside of this Commonwealth.
2. Employ a mechanism to verify a participant's identity and record the document number of the participant's government-issued credential or employ any other methodology for remote, multi-sourced identity authentication, including the use of a third-party or government database.
3. Employ a mechanism to verify that the purchaser is 18 years of age or older and block an individual under 18 years of age from participating in the raffle or drawing. The eligible organization may not accept payment from an individual under 18 years of age.
4. Require a participant to affirm that the information provided by the participant under this section is accurate.
5. Record a participant's acknowledgment that the information provided by the participant under this subsection is accurate.

Section 309(d) of the legislation specifies that the authority to conduct games of chance via an internet-based conferencing software application shall automatically expire upon expiration or termination of the COVID-19 disaster emergency by executive order, proclamation or operation of law or May 1, 2022, whichever is later. Senate Bill 243 defines the terms "COVID-19 disaster emergency", "drawing", "internet-based conferencing software application" and "mobile payment service".

FISCAL IMPACT:

Senate Bill 243 will have no fiscal impact on Commonwealth funds.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The Local Option Small Games of Chance Act allows eligible organizations to offer games of chance for the purpose of raising funds for public interest purposes. Under the act currently, an eligible organization must conduct games of chance at physical locations specified by law.

Allowing eligible organizations to temporarily conduct games of chance through internet-based conferencing software applications (e.g., Zoom, Skype, Facebook Live, etc.) during the COVID-19 pandemic will help to ensure that these organizations can continue their charitable missions in the future.